

STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION

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November 7, 1997

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William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

97-157

Dear Mr. Caton:

Enclosed please find the Minnesota Public Utilities Commission's (MPUC's) request for a temporary waiver of the requirement in 47 C.F.R. § 54.409 (a) that states base eligibility for intrastate matching funds for the federal Lifeline program solely on income.

State law requires the agencies responsible for administering Minnesota's intrastate matching program for Lifeline to determine eligibility based on age or disability as well as income. The MPUC understands that age and disability are no longer permissible eligibility criteria for intrastate Lifeline matching programs.

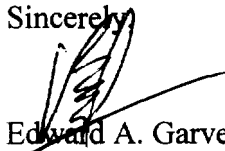
The MPUC, however, cannot alter the eligibility criteria for TAP, since these criteria are codified in state statute. The Minnesota Legislature will not be in a position to make the necessary statutory changes until some time after it begins its 1998 legislative session the first week of February. The necessary legislative changes, once enacted, will likely take effect August 1, 1998.

The MPUC, therefore, respectfully requests a waiver, until August 1, 1998, of the FCC requirement that precludes the application of criteria other than income to determinations of eligibility for intrastate Lifeline matching funds.

The MPUC appreciates your consideration of this matter.

Questions regarding this matter may be directed to Mr. Mark Oberlander at (612) 296-1335.

Sincerely,


Edward A. Garvey
Chairman

cc: Sheryl Todd, FCC
Lori Wright, FCC

No. of Copies rec'd _____

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

JAN 3 1997

In the Matter of

Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Intrastate Matching Funds for)	CC Docket No. 97-157
Lifeline Program)	
)	

**Minnesota Public Utilities Commission's
Request for Waiver**

The Minnesota Public Utilities Commission (MPUC), under 47 C.F.R. § 1.3, hereby requests a temporary waiver of the requirement that states base eligibility for intrastate matching funds for the federal Lifeline program solely on income. This requirement can be found at 47 C.F.R. § 54.409 (a) and paragraph 373 of the FCC's *Report and Order* in the above entitled docket. The MPUC requests the waiver remain in effect until August 1, 1998, which should correspond to the effective date of new state legislation needed to bring state law into compliance with the FCC's eligibility requirements for the Lifeline program.

Minnesota currently provides intrastate matching funds for the federal Lifeline program through the state's Telephone Assistance Plan (TAP) under Minnesota Statutes, sections 237.69 to 237.711. State law requires the agencies responsible for administering TAP to base eligibility for TAP on age or disability as well as income. Minn. Stat. § 237.70, subd. 4a.

The MPUC understands that, under 47 C.F.R. § 54.409 (a) and paragraph 373 of the FCC's *Report and Order*, age and disability are no longer permissible eligibility criteria for intrastate Lifeline matching programs. The MPUC, however, cannot alter the eligibility criteria for TAP, since these criteria are codified in state statute.

A task force is currently working on ways to bring the state TAP program into compliance with the FCC's requirements. The task force is scheduled to submit a report to the legislature by January 15, 1997. The Minnesota Legislature will not be in a position to act on the task force report until some time after it begins its 1998 legislative session the first week of February.

The MPUC anticipates the legislature making the necessary statutory changes to comply with the FCC's new Lifeline eligibility requirements; however, given the Legislature's schedule, these changes cannot be in place by the FCC's January 1, 1998 implementation date established in paragraph 409 of the FCC's *Report and Order*.

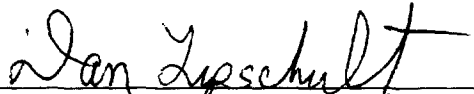
Although the Minnesota Legislature will be asked to enact the necessary statutory changes early in 1998, those changes may not be effective until August 1, 1998. Laws enacted by the Minnesota Legislature become effective on August 1 following the date of enactment, unless specified otherwise in the bill being enacted. Minn. Stat. § 645.02.

The MPUC, therefore, respectfully requests that the FCC grant Minnesota a waiver of the FCC's requirement in 47 C.F.R. § 54.409 (a) that eligibility for intrastate matching funds for the federal Lifeline program be based solely on income. The MPUC requests further that the waiver be effective until August 1, 1998.

Dated: November 12, 1997

Respectfully submitted,

HUBERT H. HUMPHREY, III
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